(2)

FOR SECRET SECURITY INFORMATION

Greece
ST D-11

MEMORANDUM OF CONVERSATION

May 27, 1953
4:00 p.m.

(R)

SUBJECT: Greece

PLACE: Office of the Prime Minister, Athens

PARTICIPANTS:

United States

Secretary John Foster Dulles
Honorable Harold Stassen
Mr. Douglas MacArthur II
Mr. Henry A. Byroade
Ambassador Peurifoy
Mr. Alexander Sachse

Greece

Prime Minister Papagos
Mr. Rallis

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY VWOLF JR DATE 5/15/82
RDS☐or XDS☐EXT. DATE
TS AUTH. REASON(S)
ENDORSE EXISTING MARKINGS ☐
DECLASSIFIED☒ RELEASABLE☒
RELEASE DENIED☐
PA or FOI EXEMPTIONS

In opening the conversation the Field Marshal expressed his great pleasure at welcoming Mr. Dulles not only because he was Secretary of State of the United States, but because the Field Marshal knew of the personal leadership that Mr. Dulles had exercised in the struggle against Communism.

The dangers of Communism are well known to the Greek people, who if called upon will be prepared to make any sacrifices necessary in order to defeat Communist aggression and in order to protect their national security. Greece is fully conscious of her obligations to defend her national borders and places her common NATO commitments above all else.

Despite the great harm which befell Greece as a result of the assistance Yugoslavia afforded the Communist guerillas, Greece realizes that the cooperation of Yugoslavia is necessary to the defense of the Balkans and Greece is therefore cooperating with Yugoslavia (and Turkey) to the end that the Balkan area may be made more secure. The Field Marshal stressed the role which the Balkan front could occupy in the event of the outbreak of armed conflict. Providing that the three armies (Greek, Yugoslav and Turkish) would be reinforced with the necessary war materiel, the Balkan front could become an area of active operations rather than an area of passive defense. The disadvantage of the Balkan front today lies in its inadequate depth. This position could be corrected and the front could be turned into a serious threat to the flanks of the Soviet Armies advancing in Europe.

The defense of the Balkans would be further strengthened if a rapprochement were reached between Yugoslavia and Italy. The Prime Minister referred to the present difficulties which centered about the forthcoming Italian elections but stated that his recent conversations with De Gasperi and the Yugoslav Foreign Minister Popovich indicated to him that both men appreciate the necessity

of such

of such a rapprochement. After the Italian elections the Trieste issue should be ameliorated.

The Field Marshal stated his firm conviction that freedom-loving nations must realise that their objectives can only be achieved through unity and the adoption of a common policy. The recent Soviet (peace) proposals should be received with considerable reserve and should be met by a common and firm policy. If a common and firm policy is not adopted by the free nations there is a danger that the Soviets will succeed in their efforts to shatter the unity of the allied nations or succeed in disrupting the rhythm of re-armament which has so effectively been maintained to date.

The Marshal then referred to the recent visit of Bidault, stating that Mr. Bidault arrived in Athens after Churchill had made his important foreign policy statement in Parliament. The Marshal informed the Secretary that Bidault had expressed the observation that the slightest indication of division among the allies must be avoided at all costs.

Referring to the morale of the Greek people, the Prime Minister related that Greece joined NATO and even if left without assistance from her friends, the Greek people were determined to resist aggression and protect their independence. The psychological resources of a nation are particularly important, more important than material factors. Referring to his experience in five wars and lessons learned from history, the Field Marshal observed that the sudden fall of states is usually due to psychological rather than material factors. Two examples were cited: (1) In 1940 during the Second World War France was crushed in three weeks. We now know that German military superiority was not so great as had been previously thought. France was lost because of the defeatist attitude of the population. French soldiers asked themselves, "Why should I fight?" -- and didn't fight; (2) Greek soldiers who fought in Asia Minor did not understand the necessity of fighting what they considered to be a colonial war.

The free people must be prepared to make new sacrifices. The Greek Government is preparing the people to this end. The large amount of military expenditures maintained by the government, amounting to 46% of the national budget, constitute a heavy burden on the Greek people. The Greek Government cannot do otherwise than to maintain this heavy military budget because the strength of the Greek forces is dictated by the nation's geographic location and the potential of Greece's adversaries. Greece must maintain a military establishment which will permit it to resist a sudden attack and to cover the mobilization of the Greek armed forces. To achieve this objective

this objective, Greece is required to keep twice as many men under arms as would otherwise be necessary. The Greek people understand this requirement. They have a feeling of sacrifice. The burden on the economy is reflected in the standard of living of the people.

Fortunately the present government has a strong majority, is homogeneous and is stable. The Government will not hesitate to resort to unpopular and even harsh measures. It has already done so. The Field Marshal noted that he had only entered politics in order to serve the country and that, therefore, he does not hesitate to take unpopular measures as they become necessary. He cited as an example the reduction in the salaries of the Deputies.

The Marshal then raised the subject of the projected Middle East Defense Organization, expressing the view that Greece should not be ignored in the development of such an organization. While it is true that the bulk of the Greek armed forces would operate in the Balkans, there is an inter-relationship between the defense of the Balkans and Middle East areas. If Greece were to be ignored entirely, and was not represented at least symbolically, as in Korea, the effect on the Greek people would be very unfavorable. The issue would become even more difficult were the Headquarters of a Middle East defence organization established on Cyprus. The Government, in accordance with the policy he outlined before the election, views the Cyprus problem realistically and seeks a solution which would not disrupt the existing pleasant Anglo-Greek relations, but no Greek government can afford to ignore the Cyprus issue. The issue arises not only from historical national aspirations but also from such popular ideas as "the self-determination of free people". It is most important, in the view of the Marshal, that the morale of the Greek people remain on the high level on which it stands today.

In conclusion the Prime Minister reiterated that Greece is devoted to the obligations it has undertaken vis-a-vis its allies. The best way to meet the danger lies in a true alliance of all free countries, a common policy and, above all, a firm stand against the USSR in support of the policy which the U. S. originated and which was inspired by Secretary Dulles.

The Secretary conveyed sincere and cordial greetings from President Eisenhower and stated that the President was happy to receive the personal letter from the Field Marshal. The President deeply appreciates the proposals contained in that letter. The views of the U. S. will be fully expressed in a communication to the Prime Minister. There was not sufficient time to set those views down prior to the departure of the Secretary on this trip. In particular, the U. S. appreciates the fine suggestion regarding the

augmentation of

augmentation of Greek forces in Korea. A decision on this matter will depend upon the outcome of current discussions in Korea which may end the fighting. At this point the Prime Minister observed that Greece had originally been prepared to send one full brigade, but that the force was limited to one battalion at the request of the United States. When Marshal Papagos added that "the borders of Greece are where the fighting is going on", the Secretary commented on the fine spirit demonstrated by this remark and observed that the free world would be strengthened if all the nations shared that spirit to the same extent as does the Prime Minister.

With reference to the Secretary's expression of thanks for the Greek Government's gift of the new Embassy site, the Field Marshal observed that Ambassador Dendrias has helped the Government very much in all its efforts since it came into office and that, more importantly, he had helped all of Greece. The gift of the site was only a small token of the gratitude of the Greek people.

With reference to Soviet Russia, the Secretary stated that the United States recognizes the possibility of a fundamental change but that evidence to date indicates a change in tactics only. The Prime Minister added that this was precisely his view. The Greeks know the Communists well and know that they have certain good points including that of always being able to pursue a realistic policy. Their final aims remain the same but they adopt different tactics as required. The Secretary noted that the tactics of the Communists were designed to weaken the resolution of the free nations. We should do our best to thwart this.

Going back to the Prime Minister's reference to the importance of not breaking the rhythm of rearmament, the Secretary explained that the adjustments incorporated in the budget presently under consideration in the United States do not reflect any intention on the part of the United States to interrupt this rhythm. To the contrary, the purpose of these adjustments is to achieve a rate of rearmament which can be maintained over a period of time. It has long been the view of General Eisenhower, expressed to NATO, that there must be a relationship between the military establishment of a nation and the economic productivity behind the defense forces. Some slight adjustment may be necessary to achieve the required balance. It is still the intention of the United States to devote 60% of its budget to defense requirements. The United States intends to do this without creating an inflationary cycle which would increase costs and make the maintenance of the defense effort impossible. This philosophy was expressed by General Eisenhower in 1951 on the occasion of a NATO meeting in Rome. It became national U. S. policy shortly after he was elected to the Presidency. The Secretary emphasized that not by

one single

one single dollar do the adjustments in the U. S. budget reflect a weakening of the defense effort in response to recent Soviet tactics.

As regards the importance of the morale factor, Secretary Dulles stated that we share the Marshal's views with regard to the supreme importance of that factor. Therefore, we believe it is necessary to focus our attention not only on the defense build-up but also on the economic and financial factors.

With reference to the projected Middle East Defense Organization, the Secretary stated that on this trip he gained the impression that the development of a Middle East Defense Organization would have to proceed more slowly than was previously thought. It was, therefore, not yet in order to think in terms of where the headquarters of such an organization will be established. The Prime Minister stated that he understood there was much to be done in this field, particularly in the area of Anglo-Egyptian relations. The Secretary assured the Prime Minister that if at any time thought is given to the establishment of Middle East headquarters in an area so historically important to Greece, the position of the Greek Government will be carefully considered.

The British-Egyptian difficulties regarding the Suez present a very disturbing problem. We must all exert all the influences we possess to prevent that conflict from breaking out into hostilities. Marshal Papagos quickly agreed that there was no doubt about that.

The Secretary then said that he was happy to learn that the Prime Minister was thinking in terms of developing offensive possibilities in the Balkan area. The greatest security for each of us lies in the Soviet knowledge that if one is attacked, others might counter-attack in some other place. If our attitude is defensive, the Soviets will be encouraged to concentrate all their forces for the offensive. We, therefore, appreciate the initiative which Greece undertook in strengthening the defenses of the Balkan area. What has been started may develop into one of the strong aspects of the Balkan defense.

The Secretary then expressed U. S. appreciation of the fact that Greece has a strong government capable not only of taking forceful military measures but also capable, if necessary, of taking unpopular measures at home. By cutting the salaries of the Deputies, the Government achieved the highest mark of any democratic government!

Secretary Dulles then informed the Field Marshal that the President wished to extend an invitation to the King and Queen to visit the U. S.

some time

some time next Fall. If the Prime Minister has no objection, the Secretary will deliver the invitation this evening. The Marshal replied that not only does he not have any objection, but, to the contrary, it would make him very happy for the King and Queen, who represent the Greek people, to have the opportunity to express their thanks to the American Government and the American people for assistance extended to Greece. The Secretary expressed the view that the King and Queen would be received with admiration for the courageous spirit of Greece which they symbolize.

In conclusion, the Secretary stated that he had had good talks with Minister Venizelos in Washington. The Prime Minister stated that Greece only wants the opportunity to get the basis for a self-sufficient economy, as it realizes that economic aid cannot be continued indefinitely. As the Secretary and his party were pressed for time for their next appointment, this subject was not pursued any further.